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Message Text

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64
ORIGIN AEC-05

INFO OCT-01 EUR-10 ISO-00 SCI-03 PM-03 DODE-00 MC-02 EB-03

COME-00 FEA-01 ACDA-10 CIAE-00 INR-10 IO-03 L-02

NSAE-00 NSC-07 RSC-01 SSO-00 INRE-00 /061 R

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DRAFTED BY: AEC:MCOLES
APPROVED BY: SCI/SA:OGANLEY
SCI:RCLIIMATAINEN
AEC:TNEMZEK
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O 102139Z OCT 74
FM SECSTATE WASHDC
TO AMEMBASSY MOSCOW IMMEDIATE

UNCLAS STATE 223924

E.O. 11652: N/A
TAGS: TECH ENRG UR
SUBJ: CRBR REACTOR VESSEL - ATOMIC ENERGY

FOR SCICOUN

PLEASE PASS FOLLOWING MESSAGE TO MILTON KLEIN.

REQUEST YOU OBTAIN COMMISSIONER ANDERS LEAD
COMMISSIONER CONCURRENCE IN ACTION SET FORTH HEREIN
PRIOR TO REFERRAL TO OTHER COMMISSIONERS FOR APPROVAL.
WOULD APPRECIATE TELEPHONE CONFIRMATION BY FRIDAY,
OCTOBER 11TH.

CHAIRMAN RAY
COMMISSIONER KRIEGSMAN
COMMISSIONER ANDERS

THRU: GENERAL MANAGER

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PLACEMENT OF ORDER ON COMBUSTION ENGINEERING, INC.(CE)

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FOR THE CRBR REACTOR VESSEL

IN MY CAPACITY AS AEC'S REPRESENTATIVE ON THE CRBR PROJECT STEERING COMMITTEE (PSC) I PLAN TO VOTE AFFIRMATIVELY FOR WESTINGHOUSE ISSUANCE OF AN ORDER ON CE FOR DESIGN, FABRICATION AND DELIVERY OF THE CRBR REACTOR VESSEL. THIS ACTION WILL PERMIT CONTINUATION OF THE ENGINEERING EFFORT HERETOFORE CONDUCTED UNDER THE TERMS OF AEC CONTRACT AT(11-1)-2395 AND, IN ADDITION, REQUIRE CE TO FABRICATE AND DELIVER THE VESSEL.

THE REACTOR VESSEL IS THE PACIG ITEM ON THE CRBR CRITICAL PATH AND CE'S UNWILLINGNESS, IN NEGOTIATIONS WITH WESTINGHOUSE, TO AGREE TO MEET THE PROJECT DELIVERY SCHEDULE WITHIN ITS EXISTING MANUFACTURING CAPABILITY NECESSITATES IMPOSITION OF THE ORDER IN THIS MANNER. THIS PLACEMENT OF THE ORDER WILL PERMIT ISSUANCE OF A PRIORITY DIRECTIVE ON CE UNDER THE TERMS OF THE DEFENSE PRODUCTION ACT IF NECESSARY.

UNDER THE INTERIM TERMS INCLUDED IN THE ORDER THE INTERESTS OF THE GOVERNMENT AND THE PROJECT ARE CONSIDERED TO BE PROTECTED. DURING THIS PHASE OF THE WORK SUBCONTRACTOR EXPENDITURES WILL BE AT THE RATE OF APPROXIMATELY $50,000 PER MONTH PENDING NEGOTIATION AND APPROVAL OF THE FINAL DETAILED ARRANGEMENTS. STANDARD AEC COST-TYPE CONTRACT TERMINATION PROVISIONS ARE INCLUDED. IT IS CURRENTLY ESTIMATED THAT THE TOTAL COST OF THE PROCUREMENT WILL BE IN THE RANGE OF $15-20 MILLION DOLLARS.

IN VIEW OF CE'S CURRENT ATTITUDE AND THE MANNER OF ORDER PLACEMENT IT IS EXPECTED THAT IT WILL BE DIFFICULT TO REACH SATISFACTORY RESOLUTION OF THE BUSINESS ASPECTS OF THE PROCUREMENT. IN THIS REGARD WESTINGHOUSE PLANS PROMPT NEGOTIATIONS WITH CE LEADING TO RESOLUTION OF SPECIFICATION, COST ESTIMATE AND FEE ASPECTS OF THIS COST-TYPE CONTRACT. UPON COMPLETION OF THESE NEGOTIATIONS THE PROPOSED FINAL ARRANGEMENT WILL BE REVIEWED BY HEADQUARTERS STAFF AND SUBMITTED FOR COMMISSION APPROVAL.
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THIS PROCUREMENT WAS CONTEMPLATED IN THE SUPPLEMENTAL DETERMINATION TO THE MINI-NEPA STATEMENT ISSUED BY THE COMMISSION TO THE COURTS IN FEBRUARY 1974.

T.A. NEMZEK, DIRECTOR
DIVISION OF REACTOR RESEARCH
AND DEVELOPMENT.

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: SPARE PARTS, NUCLEAR POWERED SHIPS, ENGINES
Control Number: n/a
Copy: SINGLE
Draft Date: 10 OCT 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974STATE223924
Document Source: CORE
Document Unique ID: 00
Drafter: AEC:MCOLES
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740288-0977
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741055/aaaabuui.tel
Line Count: 117
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN AEC
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: martinjw
Review Comment: n/a
Review Content Flags:
Review Date: 11 MAR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <11 MAR 2002 by chappeld>; APPROVED <05 FEB 2003 by martinjw>
Review Markings:

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Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: CRBR REACTOR VESSEL - ATOMIC ENERGY FOR SCICOUN
TAGS: TECH, ENRG, UR
To: MOSCOW
Type: TE
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